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JUST WILLING FOUNDATION, INC.

**Independent Auditor's Report and Financial Statements
For the Fiscal Year Ended June 30, 2005**

Deemer CPA and Consulting Services, LLC

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9-13-06

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Independent Auditor's Report

**To the Board of Directors of
Just Willing Foundation, Inc.:**

I have audited the accompanying statement of financial position of Just Willing Foundation, Inc. as of June 30, 2005, and the related statement of activities and cash flows for the fiscal year then ended. These financial statements are the responsibility of Just Willing Foundation Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Just Willing Foundation, Inc. and the results of operations and its cash flows for the fiscal year then ended June 30, 2005, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated August 9, 2006 on my consideration of Just Willing Foundation, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contract, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was performed for the purpose of forming an opinion on the financial statements of Just Willing Foundation, Inc. taken as a whole. The schedule of functional expenses is presented on page 8 for purposes of additional analysis and is not a required part of the financial statements of the organization. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Deemer CPA and Consulting Services, LLC

New Orleans, Louisiana
August 9, 2006

JUST WILLING FOUNDATION, INC.
Statement of Financial Position
As of June 30, 2005

Assets

Current Assets

Cash	\$ 24,073
Prepaid Insurance	537

Fixed Assets (Net)

Office Equipment	5,762
Less: Accumulated Depreciation	<u>(160)</u>

Total Fixed Assets (Net)	<u>5,602</u>
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Total Assets	<u>\$ 30,212</u>
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Liabilities and Net Assets

Current Liabilities

Deferred Revenue	\$ 1,548
Accounts Payable	<u>26,324</u>

Total Current Liabilities	27,872
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Net Assets

Unrestricted	<u>2,340</u>
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Total Net Assets	<u>2,340</u>
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Total Liabilities and Net Assets	<u>\$ 30,212</u>
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The accompanying notes are an integral part of these financial statements.

JUST WILLING FOUNDATION, INC.
Statement of Activities
For the Fiscal Year Ended June 30, 2005

	Unrestricted
Revenues	
Grant Revenues	\$ 48,452
Donations	<u>5,515</u>
Total revenues	53,967
Expenditures	
Program Services	\$ 50,727
Support Services	<u>3,810</u>
Total Expenditures	<u>\$ 54,537</u>
Decrease in Net Assets	<u>(570)</u>
Net Assets Beginning of Period	2,910
Net Assets End of Period	<u><u>\$ 2,340</u></u>

The accompanying notes are an integral part of these financial statements.

JUST WILLING FOUNDATION, INC.
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2005

Cash Flows From Operating Activities:

Changes in Net Assets	\$ (570)
Adjustments to Reconcile Net Revenues over Expenditures to Net Cash Provided by Operating Activities	
Depreciation Expense	160
Changes in Operating Assets and Liabilities	
Prepaid Insurance	(537)
Deferred Revenue	1,548
Accounts Payable	<u>26,324</u>
 Net Cash Provided by Operating Activities	 26,925

Cash Flows From Investing Activities:

Net Cash Provided by Investing Activities	0
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Cash Flows From Financing Activities:

Net Cash Used by Financing Activities	<u>(5,762)</u>
 Net Cash Increase for Period	 21,163
 Cash, At Beginning of Period July 1, 2004	 <u>2,910</u>
 Cash, At End of Period June 30, 2005	 <u><u>\$ 24,073</u></u>

The accompanying notes are an integral part of these financial statements.

**Just Willing Foundation, Inc.
Notes To The Financial Statements
For The Year Ended June 30, 2005**

1. Summary of Significant Accounting Principles

General – Just Willing Foundation, Inc. is a quasi-public entity who has recently completed an application for non-profit status from the Internal Revenue Service. The organization was developed to assist children and adults in especially low-income areas with new and innovative forms of technology literacy. Additionally, the mission of the corporation is to provide this form of Information Technology to underprivileged citizens in the greater New Orleans area.

Basis of Accounting - The financial statements of Just Willing Foundation, Inc. are prepared on the accrual basis of accounting. Accordingly, revenue is recorded when earned and expenses are recorded when incurred.

Cash - Cash is comprised of cash on hand and in banks.

Income Taxes – This corporation has an application on file with the Internal Revenue Service requesting recognition as a 501 3 (c) tax exempt organization. The application is under review and has not yet been completed. There may be a provision of income tax required if the application is not approved.

Use of Estimates

The financial statements of Just Willing Foundation, Inc. are prepared in conformity with generally accepted accounting principles which include estimates made by management. Accordingly, actual results may differ from those estimates.

2. Net Assets

A description of the three types of Net Assets categories is described below:

Unrestricted net assets are comprised of funds without donor-imposed restrictions. The revenues received by Just Willing Foundation, Inc. and expenses incurred are included in this category.

Temporarily restricted net assets include income, gifts, and contributions which have donor-imposed restrictions that may be met either by an action and/or through the passage of time.

Permanently restricted net assets include income, gifts, and contributions which have donor-imposed restrictions to be invested in perpetuity and only the income from those investments can be made available for program operations.

3. Grants Revenue

Just Willing Foundation, Inc. received grant funds in the amount of \$50,000 from the Governor's Office of Urban Affairs and Development.

4. Economic Dependency

Just Willing Foundation, Inc. receives the majority of its revenue from grants and donations. The agency's ability to continue operations is based solely on its ability to generate grant revenue, consequently, any reductions in grants from the state level would significantly impact the operations of Just Willing Foundation, Inc.

5. Property, Plant, and Equipment

Furniture, Fixtures, and Equipment	\$ 5,762
Less Accumulated Depreciation	<u>(160)</u>
Net Property, Plant and Equipment	<u>\$ 5,602</u>

6. Service from Board of Directors

During the year ended June 30, 2005, there were no payments made to board members. Each board member served on a voluntary basis.

7. Subsequent Event

A natural disaster occurred in the City of New Orleans and its surrounding parishes on August 29, 2005 which substantially impacted the operations of this agency. It damaged certain property and equipment purchased by the agency for use in its program, and displaced many of its program participants. The amount of damages sustained and future impact on agency operations is indeterminable as of the date of this report.

JUST WILLING FOUNDATION, INC.
Schedule of Functional Expenses
For the Fiscal Year Ended June 30, 2005

	<u>GOUAD</u>		<u>Total</u>
	<u>Program Services</u>	<u>Admin. & Gen'l</u>	
Expenses:			
Contract Labor	25,200	2,800	28,000
Student Interns	200	0	200
Instructional Supplies	22,105	90	22,195
Computer Expense	499	0	499
Depreciation	0	160	160
Office Expense	1,796	0	1,796
Insurance	77	0	77
Bank Service Charge	0	360	360
Graduation Expense	500	0	500
Field Trips	350	0	350
Miscellaneous	0	400	400
Total	<u>\$ 50,727</u>	<u>\$ 3,810</u>	<u>\$ 54,537</u>

See Independent Auditor's Report.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Just Willing Foundation, Inc.

I have audited the financial statements of Just Willing Foundation, Inc. as of and for the year ended June 30, 2005, and have issued my report thereon dated August 9, 2006. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Just Willing Foundation's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Just Willing Foundation Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 05-01 and 05-02.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider items 05-01 and 05-02 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Just Willing Foundation, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion.

The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items 05-01 and 05-02.

This report is intended solely for the information and use of the audit committee, management, Board of Directors, Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Greener CPA and Consulting Services, LLC
New Orleans, Louisiana
August 9, 2006

Just Willing Foundation, Inc.
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2005

05-01 Lack of Controls Over Cash Disbursements
Questioned Costs: \$ 7,512.00

Criteria: The Foundation's procedures handbook states that " to avoid actual or appearance of conflict of interest, any employee who engages in any remuneration activity in any field directly related to Just Willing Foundation programs must have prior approval by the President/CEO. The Board of Directors will review these issues for the President/CEO."

Condition: The Just Willing Foundation, Inc. paid several invoices from a company owned by the President/CEO of the Foundation without documented approval by the Board of Directors.

Cause: The lack of internal controls and segregation of duties at Just Willing Foundation, Inc. allowed for expenditures to occur without proper approval.

Effect: Expenditures were incurred without proper approval.

Recommendation: Sound internal controls and practices must be implemented at the Just Willing Foundation, Inc.

Management's Response: Management has implemented a new policy which requires that all expenditures associated with the President/CEO and any expenditures greater than \$3,000 are reported to the Board of Directors in a timely manner for approval.

05-02 Proper Maintenance of Records

Criteria: State Audit law requires that appropriate documentation be maintained to provide an audit trail for all grant expenditures.

Condition: The Just Willing Foundation, Inc. had various supporting documentation destroyed by a recent natural disaster.

Cause: The Just Willing Foundation, Inc. did not have a secondary location or alternate plan to maintain records in the event of their office being damaged or destroyed.

Effect: Certain records had to be retrieved from external sources during the audit, which caused significant delays and other records may never be recovered.

Recommendation: The Just Willing Foundation, Inc. must develop and implement a plan for records maintenance in the event of a catastrophic event.

Management's Response: Management is in the process of developing a plan for secondary storage of records. In the meantime, records are being scanned and kept in a location other than the Just Willing Foundation office site.

**Just Willing Foundation, Inc.
Status of Prior Year Findings
For the Fiscal Year Ended June 30, 2005**

There were no prior year audit findings. This is the agency's first audit.